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## United States Senate

COMMITTEE ON COMMERCE, SCIENCE,  
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

July 18, 2002

Dear Colleague:

For far too long, our national passenger railroad has languished while we focused our efforts on building our interstate highway system and our national network of airports. While these components of our transportation system rival any in the world, of the 23 industrialized countries with rail service, America ranks at the bottom in the amount of funds invested in passenger rail. The time has come to turn our attention to passenger rail in the United States.

This lack of funding has resulted in: (1) a passenger rail system badly in need of repairs and development, (2) congestion on our highways, almost to the point of gridlock in many areas, and (3) airports and airways filled to capacity at times. We should not wait until this problem gets worse; we must act now.

This is why I introduced S.1991, the National Defense Rail Act. As lawmakers, we need to lead the way in driving changes in our transportation policy; the Administration has yet to present any legislative proposal on passenger rail. This is not a difficult problem - we need to develop infrastructure for passenger rail in the United States as we have done with other modes of transportation, plain and simple.

S. 1991 provides a clear direction for passenger rail in the U.S. by establishing specific line item funding for long-distance trains, state-supported routes and federal development of high speed corridors. In addition, S. 1991 incorporates a number of accounting and management reforms into the Amtrak title including independent audits, establishment of a new cost accounting system, five-year budgeting to be reviewed by the Department of Transportation Inspector General, more detailed accounting of route profitability, and establishing transparent and objective criteria for route decisions.

A recent New York Times editorial argues that "building high speed rail corridors between major cities ought to be a top American priority." I agree. To this end, S.1991 authorizes \$1.5 billion in grants to states or groups of states each year to help acquire infrastructure, improve or eliminate highway-rail grade crossings, and acquire rolling stock and track and signal equipment. Development of a national passenger rail system will provide many benefits to our society, such as reduced congestion and improved air quality.

The bill would re-authorize Amtrak for the next 5 years, fully fund their capital needs, and require reforms to their business operations and oversight. Just as important, the bill would provide Amtrak, with new President David Gunn at the helm, the tools and funding it needs to operate safely and efficiently. The last title of the bill would expand and revise an existing loan/loan guarantee program for development of rail infrastructure.

Like the interstate highway system, the benefits of a developed passenger rail system could be immeasurable. I urge you to become a cosponsor of this important legislation, and establish our passenger rail service as the best in the world. Other nations are investing in their competitiveness, we must do the same. I have attached a recent article from the Wall Street Journal on China's plan to spend \$42 billion on improving its rail infrastructure. If you would like more information on S. 1991, please contact Debbie Hersman or David Matsuda of my staff at x4-9000.

Sincerely,



Fritz Hollings

Chairman

Commerce, Science, and Transportation Committee

Attachments: (1) "Putting Rail Back on Track," Editorial, *New York Times*, July 15, 2002.  
(2) "China Lays New Tracks to Spur Growth," *Wall Street Journal*, July 16, 2002.